NCA
VOC FOR IOP/FN
BACKGROUNDER NO. 5-5486 FEBRUARY 1, 1978
VERA HIRSCHBERG

WHITE HOUSE ECONOMIC CONFERENCE

ANNCR:

IN A SERIES OF MESSAGES TO THE AMERICAN PEOPLE SINCE THE BEGINNING OF THE YEAR, PRESIDENT CARTER HAS STRESSED THE LIMITS OF WHAT GOVERNMENT CAN DO. PARTICIPANTS IN A WHITE HOUSE CONFERENCE IN WASHINGTON ARE DISCUSSING THIS THEME AS IT RELATES TO UNITED STATES ECONOMIC GROWTH AND DEVELOPMENT. VOA'S VERA HIRSCHBERG HAS THIS BACKGROUND REPORT.

VOICE:

FIVE HUNDRED DELEGATES FROM EVERY STATE IN THE UNITED STATES ARE MEETING IN WASHINGTON THIS WEEK FOR A FOUR-DAY CONFERENCE DESIGNED TO PROMOTE ECONOMIC GROWTH AND FULL EMPLOYMENT. THE MEETING, OFFICIALLY CALLED THE WHITE HOUSE CONFERENCE ON BALANCED NATIONAL GROWTH AND ECONOMIC DEVELOPMENT, WAS AUTHORIZED BY THE UNITED STATES CONGRESS IN 1976 TO ADDRESS SIGNIFICANT ECONOMIC PROBLEMS FACING THE NATION. CONFERENCE PARTICIPANTS INCLUDE REPRESENTATIVES OF STATE, LOCAL AND FEDERAL GOVERNMENT, INDUSTRY, LABOR ENVIRONMENTAL GROUPS AND THE ACADEMIC COMMUNITY. PRESIDENT CARTER WILL ADDRESS A FINAL SESSION OF THE MEETING.

IN HIS STATE OF THE UNION ADDRESS, PRESIDENT CARTER STRUCK A THEME WHICH HE REPEATED IN LATER MESSAGES AND ONE WHICH IS TROUBLING TO SOME AT THE CONFERENCE. CALLING FOR WHAT HE CALLED "A TRUE PARTNERSHIP BETWEEN GOVERNMENT AND THE PEOPLE," THE PRESIDENT SAID: "WE NEED PATIENCE AND GOOD WILL, AND WE NEED TO REALIZE THAT THERE IS A LIMIT TO THE ROLE AND FUNCTION OF GOVERNMENT. GOVERNMENT CANNOT SOLVE ALL OUR PROBLEMS, SET ALL OUR GOALS OR DEFINE OUR VISION." GOVERNMENT, THE PRESIDENT CONTINUED, "CANNOT ELIMINATE POVERTY, PROVIDE A BOUNTIFUL

ECONOMY, REDUCE INFLATION, SAVE OUR CITIES, CURE ILLITERACY, PROVIDE ENERGY OR MANDATE GOODNESS."

IN HIS OPENING REMARKS TO THE CONFERENCE, JACK WATSON, A KEY ADVISER TO THE PRESIDENT, URGED THE DELEGATES, IN HIS WORDS, "TO STOP THINKING IN TERMS OF SOLVING EVERY PROBLEM WITH A GOVERNMENT RESPOSE." BUT, IN SPITE OF THESE WARNINGS FROM THE ADMINISTRATION, SOME DELEGATES BELIEVE THAT THE FEDERAL GOVERNMENT IS NOT DOING ENOUGH. THEY INCLUDE REPRESENTATIVES OF THE NATION'S CITIES AND ITS BLACK POPULATION. SENATOR PATRICK MOYNHAN, OF NEW YORK, FOR EXAMPLE, VOICED A POWERFUL PLEA TO THE FEDERAL GOVERNMENT IS TO LET FINANCIALLY TROUBLED NEW YORK CITY GO BANKRUPT.

THE CONFERENCE IS BEING BILLED BY ITS ORGANIZERS AS A TYPICAL AMERICAN TOWN MEETING IN THE TRADITION OF REPRESENTATIVE DEMOCRACY. AND SOME OF THE ISSUES DISCUSSED AT WORKSHOPS REFLECT THE CONCERNS OF CONTEMPORARY AMERICAN SOCIETY. THEY INCLUDE TOPICS SUCH AS UNEMPLOYMENT, STRENGTHENING LOCAL ECONOMIES, AND GOVERNMENT'S ROLE IN THE MANAGEMENT OF GROWTH.

THESE ISSUES MIRROR THE DISSATISFACTION OF MANY AMERICANS WITH THE WAY NATIONAL ECONOMIC POLICY IS PERCEIVED. FOR EXAMPLE, FOR THE LAST SEVERAL YEARS, NORTHERN STATES HAVE COMPLAINED THAT FEDERAL AID TO FAVORS THE SOUTH AND WEST, AND THAT THIS POLICY HAS RESULTED IN GROWTH OF THE SO-CALLED SUN BELT AT THE EXPENSE OF THE OLDER CITIES OF THE NORTH.

PRESIDENT CARTER HAS PROMISED TO RELEASE HIS RECOMMENDATIONS FOR A NATIONAL URBAN POLICY IN MARCH. ABOUT SIX MONTHS FROM NOW, HE WILL RECEIVE THE RECOMMENDATIONS OF THIS CONFERENCE AND MOVE TO DEVELOP NEW PROPOSALS. MEANWHILE, CONFERENCE ORGANIZERS ARE HOPING THAT THE DELEGATES CAN AGREE ON WAYS IN WHICH FEDERAL

AID CAN BE MORE EFFECTIVELY PARCELED OUT TO STATE AND LOCAL GROUPS TO MEET BOTH THEIR NEEDS AND THE NATIONAL NEED AS WELL.

PRESIDENT CARTER'S CHIEF DOMESTIC POLICY AIDE, STUART EISENSTADT, STRESSED THIS GOAL. HE TOLD THE CONFEREES THAT THERE ARE LIMITS TO FEDERAL RESOURCES, BUT THE NATION SHOULD DEMONSTRATE ITS CAPACITY TO MOBILIZE THOSE RESOURCES TO ENSURE BENEFITS TO ALL.

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